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TAGS: [PREL](#) [PGOV](#) [ENRG](#) [ETRD](#) [BO](#) [UP](#) [GG](#) [MD](#) [RS](#)
SUBJECT: AMBASSADOR'S MARCH 29 MEETING WITH RUSSIAN DFM
KARASIN

REF: A. MOSCOW 2974

[1](#)B. MOSCOW 1934

Classified By: Ambassador William J. Burns. Reasons: 1.4(B & D).

[1](#)1. (C) Summary: Ambassador Burns met with Russian Deputy Foreign Minister Grigoriy Karasin March 29 to discuss the outcomes of the Belarusian and Ukrainian elections and recent developments in Moldova, Georgia, and Nagorno-Karabakh. Karasin was sanguine about the March 26 Ukrainian parliamentary elections, observing that it would be some time before a government would be formed in Kiev, but underlining that Russia was interested in pursuing a range of bilateral talks. Karasin welcomed continuing contacts on Nagorno-Karabakh and remains interested in a joint visit to the region with A/S Fried and an appropriate French representative. Karasin questioned why the West would pursue sanctions against Belarus, arguing that Belarus "should be allowed to develop on its own terms." On Georgia, Karasin judged the recent JCC meeting productive and noted that Russia would likely sign a technical agreement with Georgia on the withdrawal from Russian bases on March 31. He said that Russia would hold expert-level talks with Georgia (and Moldova) before imposing any ban on wine imports. Russia was ready to participate in Five Plus Two talks involving Transnistria he said, but acknowledged that Ukrainian participation might be complicated by ongoing talks about forming a government. End Summary.

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Ukraine

[1](#)2. (C) DFM Karasin said that Russia had closely followed the Ukrainian parliamentary election campaign and judged it to be a "normal" political process which had led to an election with no clear winner. The Ukrainian electorate was divided. Yushchenko's Our Ukraine suffered at the polls because of economic developments since the Orange Revolution and political infighting, while Yanukovich's Party of Regions demonstrated it was a force to be reckoned with in Ukrainian politics. More interesting to Karasin was the strong showing by Bloc Yulia Tymoshenko; he thought that the ball would be in her court to form a government. Responding to the Ambassador's query about a likely timeline for government formation, Karasin likened the situation in Kiev to a play; we are now watching the first act, which will be full of intrigue, fascinating characters and perhaps some unpredictable twists and turns.

[1](#)3. (C) Karasin said that Russia was looking forward to a serious partnership with whatever government was formed because of the wide range of political and economic ties linking Kiev and Moscow. Now that the elections were over, it was likely that the Putin-Yushchenko bilateral commission might finally meet for the first time. Karasin, who co-chairs working group discussions on the Black Sea Fleet,

said that group had agreed to divide outstanding issues among several subgroups, but forecast that the discussions would be long and complex, reflecting the interrelated problems that need to be sorted out. In the end, he observed, the resolution of these issues will depend on the sprit of the negotiations.

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Nagorno-Karabakh

¶4. (C) Karasin expressed appreciation for A/S Fried's readout of his recent visit to Armenia and Azerbaijan. Karasin shares the view that there is an opening for progress on Nagaorno-Karabakh that should be tested. He suggested that a joint visit in the next few weeks would be useful, noting that "unusual approaches" are sometimes necessary to shake up the situation and prod the parties' thinking. He also mentioned that he is planning another trip of his own to the South Caucasus in April.

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Belarus

¶5. (C) Reflecting on Lukashenko's March 19 reelection, Karasin said that he shared the views of the majority of the Russian political class that Lukashenko was genuinely popular among Belarusians. There were disagreements among Belarusians about the course Lukashenko was pursuing, but such differences were completely normal in any society. Karasin said Russia did not understand efforts in the West to use sanctions to punish the Belarusian government -- Minsk had no nuclear weapons and was not pursuing dangerous activities against its neighbors. It simply sought to develop on its own terms.

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¶6. (C) The Ambassador underlined that the U.S. and EU had been very clear in our views about the conduct of the Belarusian election and its aftermath. Referring to comments Karasin had made to U/S Burns and the Ambassador in February (ref B), the Ambassador pressed him to explain what steps he believed Lukashenko would take now that the election was over to open up a political space in Belarus. Karasin noted that Lukashenko had permitted demonstrations and political opposition -- up to a point -- and argued that the pace of any future opening would depend on Lukashenko, rather than on outside pressures.

¶7. (C) Karasin confirmed that Russia and Belarus would take up discussions on gas prices in the near future. Moscow wanted a deal that was profitable, transparent and based on market mechanisms. On Union State negotiations, he did not hold out any prospects for a prompt conclusion to talks. Karasin noted that Moscow would soon mark the tenth anniversary of the opening of discussions and that some particularly difficult questions about status remained unresolved.

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Georgia

¶8. (C) Turning to Georgia, Karasin was guardedly optimistic that bilateral relations had taken a positive turn. Georgia and South Ossetian representatives at the March 27-28 Joint Control Committee (JCC) meeting in Vladikavkaz had constructive discussions. Talks about security guarantees and economic projects had been positive, Karasin noted. Any JCC meeting, much less one that had seen substantive discussions, needed to be viewed as a step forward. He noted that the technical agreement on withdrawing Russian troops and bases from Georgia would likely be signed on March 31 in Sochi.

¶9. (C) Karasin was direct in raising Russian concerns about Georgia's pursuit of NATO membership. Georgia was now in

talks with NATO on a Membership Action Plan, while at the same time its recently enunciated national security doctrine had identified Russia as its most likely military opponent. Karasin asked how these two points should be understood. The Ambassador responded by pointing out that Georgia was at the early stages in the process of seeking NATO membership and that many steps would have to be taken before it could be considered for membership. While this process was ongoing, it was important for Russia and NATO members to have candid discussions, through the NATO-Russia Council or bilaterally.

¶10. (C) The Ambassador expressed concern about reported remarks made by Gennadiy Bukayev, an aide to PM Fradkov, concerning Russian plans to join North and South Ossetia into a new entity under Russian control. Karasin backpedaled, explaining that press reports about what Bukayev had said perhaps had given an incorrect impression. Bukayev had been discussing economic integration projects in North and South Ossetia, and perhaps a distinction between economic and political integration had not been made clear. In any event, Bukayev had attended the JCC meeting in Vladikavkaz and would thus have been available to provide a personal explanation to the Georgian representatives. Karasin said Russia's policy remains that the future of South Ossetia should be settled through talks in the existing JCC mechanism.

¶11. (C) The Ambassador raised reports of a ban by Moscow on the import of Georgian and Moldovan wine. While Karasin said that phytosanitary standards were beyond his expertise, he claimed that Russia was willing to hold discussions with Georgia (and Moldova) at an expert level to explain Russia's "technical" decision before the ban went into place. He dismissed reports that Moscow's decision on wine imports was tied to possible Russian-Georgian discussions on Russia's WTO accession. (Note: Both the Moldovan and Georgian Embassies in Moscow told us March 29 that imports have in fact been halted. Both say they have been unsuccessfully seeking meetings at the expert level, with Moldova's Minister of Economy in Moscow since March 28, unable to find an interlocutor. End note.)

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Moldova

¶12. (C) Karasin noted that the "humanitarian" convoy of medical supplies Russia had sent to Transnistria had finally arrived after extended discussions with Kiev about the convoy's progress through Ukraine. He claimed that the shipment had primarily consisted of medicines that were in short supply. He suggested again, as he had to the Ambassador last week, that the convoy was a one-shot deal aimed less at any real "humanitarian catastrophe" than at domestic political opinion in Russia. On Five Plus Two

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talks, there had been a "time out" as the parties assessed the situation, but this period had now come to an end and Russia was ready for productive talks. Karasin acknowledged that Kiev's continuing focus on forming a government might lead to complications in moving forward.

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NGO Law

¶13. (C) Responding to Karasin's question about U.S. attitudes towards Russia's NGO laws, the Ambassador stressed that implementation of the law would be a critical issue. He suggested the MFA and Justice Ministry be transparent in explaining to NGOs and the media the approach the government would take in implementing the law.
BURNS